

Location Factors

STATE/ZIP	CITY	Residential	Commercial
QUEBEC (CONTD)	Granby	1.15	
	Hull	1.15	1.05
	Joliette	1.16	1.05
	Laval	1.15	1.05
	Montreal	1.18	1.09
	Quebec	1.17	1.08
	Rimouski	1.15	1.05
	Rouyn-Noranda	1.15	1.05
	Saint-Hyacinthe	1.15	1.04
	Sherbrooke	1.15	1.05
	Sorel	1.16	1.05
	St-Jerome	1.15	1.05
	Trois-Rivieres	1.16	1.05
SASKATCHEWAN	Moose Jaw	.96	.96
	Prince Albert	.95	.94
	Regina	1.07	1.03
	Saskatoon	1.06	1.02
YUKON	Whitehorse	.95	.95

Historical Cost Indexes

The following tables are the estimated Historical Cost Indexes based on a 30-city national average with a base of 100 on January 1, 1993.

The indexes may be used to:

1. Estimate and compare construction costs for different years in the same city.

2. Estimate and compare construction costs in different cities for the same year.
3. Estimate and compare construction costs in different cities for different years.

4. Compare construction trends in any city with the national average.

EXAMPLES

1. Estimate and compare construction costs for different years in the same city.

A.To estimate the construction cost of a building in Lexington, KY in 1970, knowing that it cost \$915,000 in 2011.

Index Lexington, KY in 1970 = 26.9

Index Lexington, KY in 2011 = 160.8

Index 1970 x Cost 2011 = Cost 1970

Index 2011

26.9 x \$915,000 = \$153,000

160.8

Construction Cost in Lexington, KY in 1970 = \$153,000

B.To estimate the current construction cost of a building in Boston, MA that was built in 1980 for \$900,000.

Index Boston, MA in 1980 = 64.0

Index Boston, MA in 2011 = 217.8

Index 2011 x Cost 1980 = Cost 2011

Index 1980

217.8 x \$900,000 = \$3,063,000

64.0

Construction Cost in Boston in 2011 = \$3,063,000

2. Estimate and compare construction costs in different cities for the same year.

To compare the construction cost of a building in Topeka, KS in 2011 with the known cost of \$800,000 in Baltimore, MD in 2011

Index Topeka, KS in 2011 = 155.3

Index Baltimore, MD in 2011 = 171.3

Index Topeka x Cost Baltimore = Cost Topeka

Index Baltimore

155.3 x \$800,000 = \$725,500

171.3

Construction Cost in Topeka in 2011 = \$725,500

3. Estimate and compare construction costs in different cities for different years.

To compare the construction cost of a building in Detroit, MI in 2011 with the known construction cost of \$5,000,000 for the same building in San Francisco, CA in 1980.

Index Detroit, MI in 2011 = 190.1

Index San Francisco, CA in 1980 = 75.2

Index Detroit 2011 x Cost San Francisco 1980 = Cost Detroit 2011

Index San Francisco 1980

190.1 x \$5,000,000 = \$12,639,500

75.2

Construction Cost in Detroit in 2011 = \$12,639,500

4. Compare construction trends in any city with the national average.

To compare the construction cost in Las Vegas, NV from 1975 to 2011 with the increase in the National Average during the same time period.

Index Las Vegas, NV for 1975 = 42.8 For 2011 = 195.9

Index 30 City Average for 1975 = 43.7 For 2011 = 185.0

A.National Average escalation = Index — 30 City 2011

From 1975 to 2011 Index — 30 City 1975

= 185.0

43.7

National Average escalation

From 1975 to 2011 = 4.23 or increased by 323%

B.Escalation for Las Vegas, NV = Index Las Vegas, NV 2011

From 1975 to 2011 Index Las Vegas, NV 1975

= 195.9

42.8

Las Vegas escalation

From 1975 to 2011 = 4.58 or increased by 358%

Conclusion: Construction costs in Las Vegas are higher than National average costs and increased at a greater rate from 1975 to 2011 than the National Average.